

SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS  
FOR THE ATOMIC ENERGY COMMISSION FOR FISCAL  
YEAR 1971

---

DECEMBER 7, 1970.—Committed to the Committee of the Whole House on the  
State of the Union and ordered to be printed

---

Mr. HOLIFIELD, from the Joint Committee on Atomic Energy,  
submitted the following

REPORT

[To accompany H.R. 19908]

The Joint Committee on Atomic Energy, having considered H.R. 19908, a bill to amend Public Law 91-273 to increase the authorization for appropriations to the Atomic Energy Commission for fiscal year 1971 in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, hereby report the bill and recommended that the bill do pass.

SUMMARY OF THE BILL

This bill amends Public Law 91-273, the Atomic Energy Commission Fiscal Year 1971 Authorization Act, by providing a supplemental authorization for appropriations of \$25.5 million for the construction at various locations of improvements to further enhance fire protection, safety, and operating conditions of the Atomic Energy Commission's nuclear weapons production and research facilities. These funds were requested by the President after careful and thorough study by the AEC and independent fire insurance consultants taking into consideration the combination of gradual deterioration of aging facilities and advances in fire and safety techniques and materials.

The bill is in two sections. Section 1 amends subsection 101(b) of Public Law 91-273 by adding paragraph (9), line item for construction project 71-9, at an authorized level of \$25.5 million.

Section 2 of the bill contains a technical amendment to subsection 102(a) of Public Law 91-273, containing limitations applicable to the authorization, by providing an appropriate reference to the new paragraph added by section 1.

## BACKGROUND

On September 14, 1970, the President transmitted an executive communication (H. Doc. No. 91-382) to the Congress requesting the Congress to consider proposed supplemental appropriations most of which involved increased budget authorizations. Accompanying that request was a letter from the Office of Management and Budget which delineated the amounts of appropriations desired including \$25.5 million for the Atomic Energy Commission for plant and capital equipment.

By letter dated September 21, 1970, the Atomic Energy Commission forwarded to the Congress a proposed bill to authorize the supplemental appropriations requested by the President. Hearings were held by the full committee on December 3, 1970. In view of the classified nature of the subject matter, the hearings were conducted in executive session.

On December 3, 1970, Chairman Holifield, for himself, Mr. Price of Illinois, and Mr. Hosmer, introduced H.R. 19908, a bill to authorize a supplemental appropriation of \$25,500,000. Vice Chairman Pastore introduced an identical bill, S. 4557, on the same day. On December 4, 1970, the full committee met in executive session for markup of the bills. At this session, the committee voted to approve reporting of the bills favorably without amendment and adopted this report.

## HEARINGS

On December 3, 1970, the full committee held executive hearings on the request for supplemental authorization of appropriations. Atomic Energy Commissioner Johnson presented a general statement on the proposed legislation. Testimony was also received on behalf of the AEC from Commissioners Ramey and Larson; R. E. Hollingsworth, General Manager; John Erlewine, Assistant General Manager for Operations; Maj. Gen. E. B. Giller, USAF, Assistant General Manager for Military Applications; and John Abbadessa, Controller. The Joint Committee intends to publish a declassified print of these hearings.

## COMMITTEE COMMENTS

On May 11, 1969, a major fire occurred at the Rocky Flats (Colo.) plant of the Atomic Energy Commission. The Rocky Flats plant, which produces plutonium parts for weapons, is located approximately 21 miles northwest of Denver between Golden and Boulder. The fire occurred in building 776-777 which, like so many other AEC plants, is a complex facility that has been rearranged and modified frequently over the years to meet changes in production requirements and schedules. The restoration of the Rocky Flats manufacturing facility will cost between \$40 million and \$50 million. Public Law 91-47, June 22, 1969, provided supplemental appropriations in the amount of \$45 million for that purpose.

To get a better overall picture of the possible vulnerability of other key weapons-related facilities to the starting and spreading of fire, the AEC contracted for detailed fire protection surveys by two independent industrial inspection teams. One team was supplied by the Factory Insurance Association (FIA) of Hartford, Conn., and a second team

by Factory Mutual Research Corp., (FMRC), of Norwood, Mass. FIA and FMRC generally conduct the fire surveys which are used as the basis for setting industrial insurance rates. The inspections that these groups made at the AEC facilities were similar to those conducted for industrial installations before fire insurance rates are set for them. Inspections were conducted at Albuquerque and Los Alamos, N. Mex., Burlington, Iowa, Kansas City, Mo., St. Petersburg, Fla., Savannah River, S.C., Rocky Flats, Colo., Livermore, Calif., Amarillo, Tex., Miamisburg, Ohio, and Oak Ridge, Tenn.

A comparable survey was conducted by AEC personnel. In addition to looking for obvious fire hazards, an effort was made to determine what improvements would be necessary to convert all inspected facilities to what is known in the fire insurance trade as a "highly protected risk" (HPR). An HPR is an expensive facility in which, if a fire should occur, loss could be restricted to \$1 million or less. It was concluded that steps could be taken to significantly reduce the probability of fire initiation and progression and the attendant monetary loss if certain changes were undertaken (e.g., installation of overhead sprinklers and high-capacity firefighting water mains and installation of additional fire doors and walls). In some cases, the AEC is planning replacement of specified facilities with new facilities using modern materials. It is for this reason that the supplemental request for \$25.5 million was submitted by the AEC for title I and title II design work and the procurement and installation of certain critical items for the 10 highest priority projects. The eventual cost for these 10 items is projected to be \$118 million dependent upon the forthcoming more detailed examination under title I and title II.

The Joint Committee is aware that some buildings in the AEC's overall weapons complex where research, process development, manufacturing, and material recovery are conducted are in need of major modification or replacement. The committee is also aware of the fact that new standards for fire prevention and fire retardation, such as the "2-hour fire wall," impose criteria which in some instances can be met more economically through the construction of new facilities than through extensive modification of existing structures.

With respect to all nuclear activities, the Joint Committee has always put the health and safety of the general public and workers in the highest priority category. While the Factory Insurance Association and Factory Mutual Research Corp. reports submitted to the AEC did not specifically state that any new facilities are required, the committee has ascertained that upgrading some of the facilities to the recommended level could impose an economic burden approaching that of new facility construction and in some cases not completely eliminate certain conditions considered substandard under the higher criteria. Therefore, in keeping with the committee's traditional role of assuring maximum protection for public health and safety while seeking maximum efficiency in AEC operations, the committee recommends evaluation by the AEC of the retirement of certain facilities, replacement of others with the most modern designs and materials available, and improvement of existing structures where that action meets the demands for safety and efficiency.

While aging is an important factor in considering plant modification or replacement, serious consideration also must be afforded to im-

proved materials and handling techniques and new concepts of inventory management and quantity throughputs. Also of vital importance to any organization—government or private—is the periodic reconsideration of the economic validity for retaining all ongoing activities. The committee urges the AEC to give careful consideration to the possibility of consolidation of certain activities with the transfer or even termination of some functions if such action would facilitate economy without adversely affecting safety or endangering overall production capability. The Joint Committee intends to pursue this possibility in depth during hearings on the fiscal year 1972 budget.

It is the committee's view that the proposed title I and title II effort to be supported by this supplemental authorization shall include thorough consideration of the possibility that certain plants could be identified as potential backup facilities for other weapons manufacturing plants. This might be accomplished at little additional cost, would lessen the necessity for redundant facilities, and yet would provide some competence for continued weapons work in the unlikely event of another serious accident like the Rocky Flats fire.

The Joint Committee is aware that several new task forces are at work considering such items as waste management and inventory control. The Joint Committee expects that the title I and title II effort proposed by the AEC would not foreclose the possibility of having any new concepts developed by these task forces incorporated into modified or new facilities.

In view of the foregoing, the committee recommends that the entire \$25.5 million requested for title I and title II design efforts and for the procurement of necessary items be approved.

#### SECTION-BY-SECTION ANALYSIS

*Section 1* amends subsection 101(b) of Public Law 91-273 by adding at the end thereof a new paragraph (9). This new paragraph provides a new construction line item, 71-9, for fire safety and operating conditions projects at various locations in the amount of \$25.5 million.

*Section 2* amends subsection 102(a) of Public Law 91-273 by including therein a reference to the new paragraph 101(b)(9) added by section 1 bringing the new construction line item within the standard limitations provisions on construction.

#### CHANGES IN EXISTING LAW

In compliance with clause (3) of rule XIII of the Rules of the House of Representatives, changes in existing law recommended by the bill accompanying this report are shown as follows (deleted material is enclosed in black brackets, new matter is printed in *italic*, and existing law in which no change is proposed is shown in roman):

#### PUBLIC LAW 91-273

AN ACT To authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes

\* \* \* \* \*



SEC. 101. \* \* \*

\* \* \* \* \*

(b) \* \* \*

\* \* \* \* \*

(9) *Project 71-9, fire, safety, and adequacy of operating conditions projects, various locations, \$25,500,000.*

SEC. 102. LIMITATIONS.—(a) The Commission is authorized to start any project set forth in subsections 101(b) (1), (2), (3), [and] (4), and (9) only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

\* \* \* \* \*

○





